

February 22, 2001

Honorable Norman K. Ferguson, Senate Chair
Honorable William R. Savage, House Chair
Joint Standing Committee on Utilities and Energy
115 State House Station
Augusta, ME 04333

Re: LD 386, An Act Regarding the Use of Revenues Collected by the Public
Utilities Commission

Dear Senator Ferguson and Representative Savage:

The Commission will testify in opposition to LD 386, An Act Regarding the Use of Revenues Collected by the Public Utilities Commission. The Commission will be present at the work session and will be pleased to work with the Committee as it considers this bill.

LD 386 would prohibit the Commission from paying dues to any regional or national organization without approval from the Legislature.

Title 35-A M.R.S.A. § 116(2) already gives the Legislature authority over the Commission's budget. This subsection states that the Commission shall submit its budget recommendations as part of the unified current services budget legislation. It states that the Joint Standing Committee on Utilities and Energy shall make recommendations to the Joint Standing Committee on Appropriations and Financial Affairs regarding all expenditures from the assessment fund that is established by law to fund the Commission. Finally, this subsection states that the Commission shall report annually on its planned expenditures for the year and its use of funds in the previous year.

As a practical matter, each year we present our budget to the Utilities and Energy Committee for its review and approval. During this review, the Committee can specify concerns it may have regarding the use of any funds in the Commission's budget. It can then make these modifications during its presentation of the Commission's budget to the Appropriations and Financial Affairs Committee. Until the budget is ultimately adopted by the Legislature, it is subject to review and modification. We believe that the current process considers the Commission budget in a comprehensive way. To add an additional constraint to one portion of the overall budget, as LD 386 would do, is not an efficient way to manage Commission expenses.

In summary, we urge the Committee to vote out LD 386 as “ought not to pass” because adequate safeguards already exist to ensure efficient Commission spending. If you have any questions, please contact me.

Sincerely,

Marjorie R. McLaughlin
Legislative Liaison